

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: IOWA TELECOMMUNICATIONS SERVICES, INC., d/b/a IOWA TELECOM	DOCKET NOS. TF-00-132 TF-00-133 TF-00-166 WRU-00-47-3424 (SPU-99-29)
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**ORDER APPROVING TARIFFS, GRANTING WAIVER, APPROVING MAPS,
CONSOLIDATING AND TRANSFERRING CERTIFICATES,
AND APPROVING DISCONTINUANCE OF SERVICE**

(Issued July 31, 2000)

On October 20, 1999, GTE Midwest Incorporated (GTE) and Iowa Telecommunications Services, Inc. (Iowa Telecom), filed a joint application with the Utilities Board (Board) for approval of reorganization, discontinuance of service, and transfer of certificates, pursuant to Iowa Code §§ 476.77, 476.20, and 476.29 (1999). The Board docketed the joint application as Docket No. SPU-99-29, and on April 13, 2000, the Board issued an "Order Terminating Docket, Granting Waiver, Designating as Eligible Telecommunications Carrier, and Permitting Adoption of Price Plan," permitting the reorganization to proceed.

TARIFF FILINGS

On May 30, 2000, Iowa Telecom filed a "General and Local Exchange Telephone Tariff" (TF-00-132) and "Facilities for Intrastate Access Tariff"

(TF-00-133), with proposed effective dates of June 30, 2000. The tariff pages substantially comply with the Board rules for the filing and processing of tariff pages.

The purpose of the Iowa Telecom filing is to establish tariffs for Iowa Telecom, which supercede the telephone tariffs of GTE on file with the Board prior to the effective date of the proposed new tariffs (June 30, 2000). No substantive or customer impacting changes have been made from the GTE tariffs. The former company names, GTE North Incorporated, GTE Iowa, and GTE Systems of Iowa, maintained by GTE for rate identification purposes, have been replaced, respectively, by Iowa Telecom North, Iowa Telecom, and Iowa Telecom Systems.

Also, on July 14, 2000, Iowa Telecom filed exchange maps that were the same as the GTE maps except for the name and the proposed effective date (June 30, 2000). The maps have been identified as TF-00-166.

The Board will approve the Iowa Telecom tariffs identified as TF-00-132 and TF-00-133, and the maps identified as TF-00-166, effective June 30, 2000.

WAIVER REQUEST

Iowa Telecom also requests, if necessary, that the Board grant a waiver of the accounting plan requirement of 199 IAC 5.7 in connection with providing Intrastate IntraLATA Message Telephone Service on a deregulated basis. Intrastate IntraLATA Message Telephone Service was not previously deregulated for GTE. The Board has previously found IntraLATA 1+ equal access toll service to be subject to effective competition. See the Board's orders in Docket No. INU-95-1. Iowa Telecom

requests this waiver because it has adopted GTE's existing price regulation plan pursuant to Iowa Code § 476.97(11). Iowa Telecom argues that no purpose would be served by requiring an accounting plan from a company operating under price regulation.

In its order allowing the GTE-Iowa Telecom transaction to proceed, the Board ordered that Iowa Telecom would be permitted to adopt GTE's existing price regulation plan, pursuant to Iowa Code § 476.97(11), beginning with the GTE prices in effect as of the date of closing. Thus, Iowa Telecom will be under price regulation, and the Board finds that creation of a formal accounting plan would not serve any meaningful purpose and preparation of such a plan would therefore work an undue hardship on Iowa Telecom. Iowa Telecom should be allowed to offer Intrastate IntraLATA Message Telephone Service on a deregulated basis and will be granted a waiver of 199 IAC 5.7.

CERTIFICATE TRANSFER AND DISCONTINUANCE OF SERVICE

Finally, in the application in Docket No. SPU-99-29, the Applicants requested approval of a transfer of GTE's certificates of public convenience and necessity to Iowa Telecom, pursuant to Iowa Code § 476.29(3), and for approval of discontinuance of service by GTE, pursuant to Iowa Code § 476.20. The Board did not transfer the certificates or approve discontinuance as a part of its April 13, 2000, order because Iowa Telecom's tariffs had not been filed, reviewed, and approved. As

those tariffs have now been approved, the Board approves Iowa Telecom's request for transfer of the certificates and GTE's request to discontinue service.

For historical reasons, GTE held three certificates in Iowa, identified as Nos. 0006, 0007, and 0009. There is no apparent reason to continue these multiple certificates, so the Board will consolidate them into a new Certificate No. 0217.

ORDERING CLAUSES

IT IS THEREFORE ORDERED:

1. The proposed tariffs filed by Iowa Telecom on May 30, 2000, and identified as a "General and Local Exchange Telephone Tariff" (TF-00-132) and "Facilities for Intrastate Access Tariff" (TF-00-133) are approved, effective June 30, 2000.
2. The service area maps submitted by Iowa Telecom on July 14, 2000, as TF-00-166, are approved, effective June 30, 2000.
3. The request for waiver of 199 IAC 5.7, filed by Iowa Telecom on May 30, 2000, is granted.
4. The request to transfer certificates from GTE to Iowa Telecom and the request by GTE to discontinue service, filed by Iowa Telecom and GTE on October 20, 1999, are granted. Certificate Nos. 0006, 0007, and 0009 shall be consolidated as Certificate No. 0217 and transferred from GTE to Iowa Telecom, effective June 30, 2000, and GTE is granted permission to discontinue service as of

that date. The Certificates identified as Nos. 0006, 0007, and 0009 shall be cancelled.

UTILITIES BOARD

/s/ Allan T. Thoms

/s/ Susan J. Frye

ATTEST:

/s/ Raymond K. Vawter, Jr. /s/ Diane Munns
Executive Secretary

Dated at Des Moines, Iowa, this 31st day of July, 2000.